

TENNESSEE HEALTH CARE NETWORK, INC.

The certificate of authority was issued on **9/5/84**.

On 12/31/97 Community Health Plan of Chattanooga, Inc. merged into THCN

On 12/31/98 Southern Health Plan members merged into THCN

ADDRESS:

801 Pine St. - Chattanooga, TN 37402 - (423) 755-5600 or (800) 565-9140

WEBSITE ADDRESS:

www.bcbst.com

Service Area by County

West Tennessee Area:	Benton, Carroll, Chester, Crockett, Decatur, Dyer, Fayette, Gibson, Hardeman, Hardin, Haywood, Henderson, Henry, Humphreys, Lake, Lauderdale, Madison, McNairy, Obion, Perry, Shelby, Stewart, Tipton, Wayne, and Weakley
Jackson - (901)644-4100	
Memphis - (901) 544-2111	
Middle Tennessee Area:	Bedford, Cannon, Cheatham, Clay, Coffee, Davidson, Dickson, Franklin, Grundy, Hickman, Jackson, Lawrence, Macon, Marion, Marshall, Putnam, Robertson, Rutherford, Sequatchie, Smith Sumner, Trousdale, Warren, White, Williamson, and Wilson
Nashville - (615) 386-8500	
East Tennessee Area:	Anderson, Bledsoe, Blount, Bradley, Campbell, Carter, Clairborne, Grainger, Greene, Hamilton, Hancock, Hawkins, Jefferson, Johnson, Knox, Loudon, McMinn, Meigs, Morgan Pickett, Rhea, Roane, Scott, Sevier, Sullivan, Unicoi, Union, and Washington
Knoxville - (865) 588-4600	
Northeast - (423) 854-6000	

The Independent Review Organization used by this HMO is The American Foundation for Health Care, Inc.

IRO APPEALS

	Number Requested	Resolved in favor of member	Resolved in favor of HMO
year ending 12/31/2001	1	1	0
year ending 12/31/2000	0	0	0
year ending 12/31/1999	0	0	0

BCBST Member Services

If you have a complaint about your THCN HMO, please call 1-800-565-9140

HMO Greivance Statistics

NUMBER OF GRIEVANCES/INQUIRIES FOR 2001 of the grievances reported **65%** were resolved successfully
of the grievances reported **35%** were resolved adversely

CATEGORY	Number of Inquiries to the HMO	Number of written grievances	Number of resolved grievances	Number of adverse decisions	Number of successful resolutions
1) availability/delivery of service		0	0	0	0
2) claim payment/amount of payment		360	360	130	232
3) contract terms and conditions		5	5	0	5
4) other		1	1	0	1
TOTAL		368	368	130	238

NUMBER OF GRIEVANCES/INQUIRIES FOR 2000 of the grievances reported **74%** were resolved successfully
of the grievances reported **26%** were resolved adversely

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CATEGORY	Inquiries to the HMO	written grievances	resolved grievances	adverse decisions	successful resolutions
1) availability/delivery of service	N/A	0	0	0	0
2) claim payment/amount of payment	N/A	488	488	124	364
3) contract terms and conditions	N/A	11	11	4	7
4) other	N/A	2	2	0	2
TOTAL	N/A	501	501	128	373

NUMBER OF GRIEVANCES/INQUIRIES FOR 1999 of the grievances reported **81%** were resolved successfully
of the grievances reported **19%** were resolved adversely

CATEGORY	N/A Inquiries to the HMO	Number of written grievances	Number of resolved grievances	Number of adverse decisions	Number of successful resolutions
1) availability/delivery of service	N/A	0	0	0	0
2) claim payment/amount of payment	N/A	647	647	120	527
3) contract terms and conditions	N/A	12	12	2	10
4) other	N/A	21	21	4	17
TOTAL	N/A	680	680	126	554

NUMBER OF GRIEVANCES/INQUIRIES FOR 1998 (THCN) of the grievances reported **67%** were resolved successfully
of the grievances reported **33%** were resolved adversely

CATEGORY	Number of Inquiries to the HMO	Number of written grievances	Number of resolved grievances	Number of adverse decisions	Number of successful resolutions
1) availability/delivery of service	N/A	1	1	1	0
2) claim payment/amount of payment	N/A	565	554	137	417
3) contract terms and conditions	N/A	8	8	3	5
4) other	N/A	209	140	93	47
TOTAL	N/A	783*	703	234	469

PLEASE NOTE: an adverse decision indicates the decision was against member, not that the HMO was incorrect
a successful resolution means the grievance was resolved to the members satisfaction

* 80 written complaints received did not meet the statutory definition of grievance

N/A means the information was not provided

NUMBER OF GRIEVANCES/INQUIRIES FOR 1998 (Southern Health Plan, Inc.) of the grievances reported **69%** were resolved successfully
of the grievances reported **31%** were resolved adversely

CATEGORY	Number of Inquiries to the HMO	Number of written grievances	Number of resolved grievances	Number of adverse decisions	Number of successful resolutions
1) availability/delivery of service	N/A	0	N/A	N/A	N/A
2) claim payment/amount of payment	N/A	34	N/A	N/A	N/A
3) contract terms and conditions	N/A	433	N/A	N/A	N/A
4) other	N/A	11	N/A	N/A	N/A
TOTAL	N/A	478	449	139	310

8 YEAR MEMBER ENROLLMENT STATISTICS (THCN, SHP and CHP)

Year	Individual Members	Medicare members	Group members	Number groups	TOTAL members	Average Annual
ending 12/31/01	0	0	100,129	1,518	100,129	113,280
ending 12/31/00	0	0	143,022	2,007	143,022	138,137
ending 12/31/99	0	0	133,764	1,841	133,764	146,466
ending 12/31/98	0	0	162,176	1,473	162,176	162,591
ending 12/31/97	0	0	155,459	1,261	155,459	143,673
ending 12/31/96	0	0	124,666	667	124,666	118,009
ending 12/31/95	0	0	98,071	N/A	98,071	89,209
ending 12/31/94	0	0	72,560	N/A	72,560	72,491

TENNESSEE HEALTH CARE NETWORK, INC.

FINANCIAL HIGHLIGHTS

For the Year Ending
December 31, 2002

ASSETS	\$ 28,999,290
LIABILITIES	\$ 18,494,190
TOTAL CAPITAL AND SURPLUS	\$ 10,505,100
NET INCOME	\$ (3,963,598)
TOTAL MEDICAL AND HOSPITAL EXPENSES	\$ 107,274,732
PREMIUMS	\$ 115,236,034
TOTAL ADMINISTRATION EXPENSE	\$ 8,846,680
UNCOVERED EXPENSES	\$ 85,770,157
RATIO OF MEDICAL EXPNESES TO PREMIUMS	93.1%
RATIO OF ADMINISTRATIVE EXPNESES TO PREMIUMS	7.7%